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3 SINGLETON SUBSTITUTE FOR HB147
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8 SYNOPSIS: This bill would prohibit a municipality that
9 does not already have an occupational tax from
10 imposing an occupational tax above a rate of
11 one-half of one percent unless the occupational tax
12 is authorized by local law.
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14 A BILL
15 TO BE ENTITLED
16 AN ACT
17

18 Relating to municipal occupational taxes; to
19 prohibit a municipality that does not already have an
20 occupational tax from imposing an occupational tax under
21 certain conditions unless the tax is authorized by local law.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. (a) Except as provided in subsections (b)
24 and (c), no municipality may impose an occupational or license
25 tax above a rate of one-half of one percent on any natural
26 person derived from the conduct of a vocation, occupation,
27 calling, or profession within the municipality.

1 (b) The Legislature, by local law, may authorize a
2 municipality to impose an occupational or license tax at a
3 rate greater than one-half of one percent on any natural
4 person derived from the conduct of a vocation, occupation,
5 calling, or profession within the municipality.

6 (c) This act shall not affect or repeal an existing
7 municipal occupational tax in effect prior to February 1,
8 2020.

9 (d) Nothing in this act is intended to affect or
10 repeal the authority granted to a municipality to impose a
11 municipal business license tax other than an occupational or
12 license tax on any person engaging in an occupation in the
13 municipality.

14 Section 2. This act shall become effective
15 immediately following its passage and approval by the
16 Governor, or its otherwise becoming law.